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News from State Auditor Ed Hatchett's Office

Hatchett Releases Audit of Bracken County Sheriff's Office

(Frankfort) State Auditor Ed Hatchett today released his audit of the 1998 financial statements of Bracken County Sheriff Mike Nelson. As Auditor of Public Accounts, Hatchett is responsible for auditing the accounts and financial transactions of Kentucky's county governments and state agencies. State law requires the Auditor to conduct annual audits of county clerks and sheriffs.

The Sheriff's responsibilities include collecting real estate taxes, providing law enforcement and performing services for the county fiscal court and courts of justice. The Sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit contains the following comment and recommendation:

- The Sheriff's deposits were not adequately secured by \$114,471 as of November 5, 1998. KRS 66.480(1)(d) and KRS 41.240(4) require banks to provide pledges of securities as collateral for interest-bearing and noninterest-bearing deposits if either exceeds the \$100,000 amount of insurance coverage provided by the Federal Deposit Insurance Corporation. We recommend that the Sheriff require his depository institution to pledge sufficient securities as collateral to protect taxpayer deposits at all times.